AMENDMENTS TO THE SPECIFICATION:

Please replace the first paragraph of the specification added by amendment on November 22, 2004 with the following amended paragraph:

This application is a continuation of U.S. Serial No. 08/925,779, filed September 9, 1997 (U.S. Patent No. 6,245,889); which is a continuation of U.S. Serial No. 07/721,847, filed June 14, 1991 (U.S. Patent No. 6,150,328). U.S. Serial No. 07/721,847 is a continuation-in-part of two applications (U.S. Serial Nos. 07/493,272, filed March 14, 1990 (abandoned) and 07/655,579 filed February 14, 1991 (U.S. Patent No. 5,618,924)). U.S. Serial No. 07/493,272 is a continuation in part of two applications (U.S. Serial Nos. 07/406,217, filed September 12, 1989 (abandoned) and 07/378,537 filed July 11, 1989 (U.S. Patent No. 5,166,058)). U.S. Serial No. 07/655,579 is a divisional of U.S. Serial No. 07/179,100, filed April 8, 1988 (U.S. Patent No. 5,013,649), while U.S. Serial No. 07/387,537 is a continuation in part of U.S. Serial No. 07/179,100. ~~U.S. Serial No. 07/179,100 is a continuation-in-part of three applications (U.S. Serial Nos. 07/028,285 07/028,280, filed March 20, 1987 (abandoned); 06/943,332 943,532, filed December 17, 1986 (abandoned); and 06/880,776, filed July 1, 1986 (abandoned).~~ Applicants claim priority to all of these applications.

Please replace the paragraph beginning at page 7, line 35, with the following rewritten paragraph:

The present invention also encompasses the novel DNA sequences, free of association with DNA sequences encoding other proteinaceous materials, and coding on expression for BMP-2 and BMP-4 proteins. These DNA sequences include those

depicted in Figure 1 - 3 in a 5' to 3' direction and those sequences which hybridize under stringent hybridization conditions [see, T. Maniatis et al, Molecular Cloning (A Laboratory Manual), Cold Spring Harbor Laboratory (1982), pages 387 to 389, which can be summarized as follows: (1) prehybridization of a filter for 2-4 hours at 68°C in prehybridization solution (6X SSC, 5X Denhardt's solution, 100 μg/ml denatured salmon sperm DNA); (2) hybridization for either 3-4 hours (cloned DNA) or 12-16 hours (total eukaryotic DNA) at 68°C in hybridization solution (6X SSC, 0.01M EDTA, 0.5% SDS, 100 μg/ml denatured salmon sperm DNA, labelled DNA probe); and (3) wash at at 68°C with 2X SSC and 0.5% SDS, then 2X SSC and 0.1% SDS, then 0.1X SSC and 0.5% SDS] to the DNA sequences of Figures 1 – 3 and encode a protein have cartilage and/or bone inducing activity.